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Jana Hönke

Multinationals and Security Governance in the Community

Participation, discipline and indirect rule

This article traces multinational extraction companies' social and security policies in the 'community belt' next to their operations. A comparison between mining companies in the DRC in the early twentieth century and in the period post-2000 shows remarkable continuities in corporate community interventions. It demonstrates how contemporary participatory practices have partly replaced techniques of discipline and coercion seen in the colonial past. However, the discourse of ownership and participation runs alongside exclusionary forms of exercising power that have an old history. The liberal claim of self-determination is compromised by the recourse to indirect rule in order to secure stable working conditions.

Keywords: business, CSR, community, governmentality, security, development, DRC

Introduction

The recent discourse on partnerships and corporate social responsibility indicates that it is not only development agencies, international organisations and international NGOs who intervene in postcolonial societies and promote the building of liberal states and civil societies. Multinational companies (MNCs) are expected to, and increasingly do, engage in participatory community development. They may in fact be amongst the most active governors in the context of what some refer to as liberal (global) governmentality (Sending and Neumann, 2006). In this paper I analyse the policies and practices of multinational

mining companies in Katanga, Democratic Republic of Congo (DRC), that address people living next to companies' operations who they refer to as 'our communities' and as part of their 'theatre of operations' (Hönke, forthcoming-b) – what I term the 'community belt' (see below).

Drawing on case studies from the early twentieth century and the post-2000 period from that region, this article shows, firstly, that company governance in communities is nothing new and points to the comprehensive involvement of companies in ordering adjacent areas. I show that the participatory management of today is different from the coercive and disciplinary paternalism used by companies to control local communities in a similar period of limited state governance a century ago. However, despite this shift to what has described elsewhere as new liberal governmentality (Rose 1999), which emphasises the participation of the population in its own governance, there are also striking similarities between early colonial and contemporary corporate ordering attempts in the postcolonial world. Discourses of ownership and participation not only have depoliticising and exclusionary effects but also operate in concert with powerful techniques of coercion and indirect rule. While dominating official discourse, calling on self-responsible citizens coexists with fortress protection and older practices of paternalistic cooptation and indirect rule. Inherent in managerialism, the liberal claim to self-determination and democratic procedures is compromised in a corporate community engagement whose main goal remains stability for asset protection and ensuring production.

My interest is in the continuities and changes of Western liberal interventions. I therefore look at a particular subgroup of companies which allow the study of liberal economic management and its problems most clearly: multinationals of at least medium size from an OECD home country and listed on international stock exchanges in Toronto, New York or London. In addition, these companies in the DRC receive more international public attention than others due to the industry's implication in the Congolese war economy since the 1990s. For these reasons I concentrate on the American company Freeport MacMoRan, Canadian First Quantum and Australian Anvil Mining.

After exploring the literature on participatory community development and corporate-community relations in early colonialism and today, I analyse corporate policies and practice towards communities in the early twentieth century and then describe how participatory community engagement has emerged in the mining industry there since the late 1990s and is being practiced today. I show how these coexist with, and are compromised by, contemporary techniques of cooptation and indirect rule.

Foreign companies, local ordering and the community

Research about the dis- and re-assemblage of states and thereby of local and transnational order (Agnew, 2009, Abrahamsen and Williams, 2010, Engel and Nugent, 2010) suggests MNCs have become increasingly involved in local ordering at production sites in Africa.

However, such company activities have rarely been studied from a perspective of ordering and policing.¹ In contrast, there is a large literature on corporate social responsibility (CSR), most focusing on companies' contribution to development at the local level (e.g. Hamann *et al.*, 2008, Börzel and Héritier, forthcoming). In mostly policy-oriented writing, the regulation of corporate security practices has recently become integrated in debates about how companies can reduce negative externalities and contribute to 'good governance' (Haufler, 2001).

In contrast to literature emphasising the governance contributions of CSR, however, other studies point to how companies' participatory community engagement gives rise to new forms of exclusion or sometimes simply maintains old hierarchies to achieve stability (Zalik, 2006, Welker, 2009). A few studies look at how companies react to community protest (Frynas, 2001) and their use of development approaches to prevent conflict with and attacks from communities and local militias (Watts, 2004a, Zalik, 2004). Looking at governance by companies from the 'bottom-up' perspective, these studies show that company practices are far from emancipatory forms of community participation and meaningful redistribution of benefits. In addition, James Ferguson picks up the notion of enclave economies to underline the insulated nature of extractive orders both concerning the security and social governance practices of oil companies in the global peripheries (Ferguson 2005, see also the discussion in Soares de Oliveria 2007: 103-122).

How can we make sense of these parallel observations of corporate developmental engagement in communities on the one hand, and exclusionary and coercive practices on the other? Studies of contemporary 'advanced liberalism' (Rose, 1999) provide tools to better understand the ensemble of contemporary ordering practices and are particularly useful for making sense of them in non-state governance. One of the key techniques of contemporary governing has been described as 'governing at a distance': states, companies and community leaders involve intermediary groups (citizen groups, professionals, voluntary associations, social partners and private firms) in their own governance. Such a new logic of governing at a distance through responsible and self-governing entities (Sorensen and Torfing, 2007: 6) is characterised by governing through market mechanisms and the promotion of individual responsibility and entrepreneurial values. In contrast to the welfare state, as well as of some of colonial governance, this is no longer so paternalist. Rather, ownership, participation and self-determination are key principles.²

¹ See, however, Hönke, J., 2009. Extractive Orders: Transnational Mining Companies in the Nineteenth and Twenty-First Centuries in the Central African Copperbelt. In R. Southall & H. Melber (eds.) *A New Scramble for Africa?* Durban: KwaZulu Natal Press, 274-298 and Abrahamsen, R. & Williams, M.C., 2010. *Security Beyond the State. Security Privatization and International Politics* Cambridge: Cambridge University Press.

² For a discussion of these principles and their effects in development and statebuilding interventions see Cleaver, F., 1999. Paradoxes of Participation: Questioning Participatory Approaches to Development. *Journal of International Development*, 597-612; Kühn, F., 2010. *Sicherheit und Entwicklung in der Weltgesellschaft. Liberales Paradigma und Staatsaufbau in Afghanistan* Wiesbaden: VS Verlag; Jahn, B., 2007. The Tragedy of Liberal Diplomacy: Democratization, Intervention, Statebuilding (Part I). *Journal of Intervention and Statebuilding*, 1, 87-106.

The underlying logic of such ‘govern[ing] through freedom’ (Rose, 1999, Krasmann and Volkmer, 2007) is, however, one of risk management. Managing security risks is less about causes and more about pre-emptively acting upon potentially problematic zones and groups of people (Rose, 1999). Feeley and Simon (1992) have observed a ‘new penology’ in which security governance shifts focus towards proactively ‘producing’ law-abiding citizens and making them participate in their own policing. Yet at the same time, potential offenders and entire places defined as uncertain are excluded, sealed off and managed in a more restrictive way, before any crime has been committed, in order to prevent future harm to others (Jones, 2007). By ‘making up governable spaces’ (Rose, 1999), liberal governmentality redefines spaces of in- and exclusion.

By understanding corporate community policies as part of a policing – or ordering – project, I hold, we gain a better understanding of governance by companies. This perspective is inspired by Mark Duffield’s work on the merging of security and development in Western interventions in the Global South (Duffield, 2001, Duffield, 2007). It is striking – and largely unexplored – to what extent this merging characterises ordering regimes in business spaces such as extraction enclaves.³ Following Ferguson’s powerful (yet empirically rather broad-brushed) image of the enclave, the following sections reconstruct the ordering practices of mining companies and how they produce that enclave. Two questions stand out in guiding the analysis: First, what is actually new about ‘new’ community practices? And second, what is the regime of practices within which participatory community engagement takes place? In other words, what are the (contradictory) dynamics around contemporary corporate community policies?

In relation to what is actually ‘new’ about forms of community engagement, Mamdani (1996) discusses ‘old’ colonial and ‘new’ postcolonial forms of indirect rule. He describes colonial domination as based on a system of indirect rule in which subjects depended on the absolute powers of a local chief acting between them and the colonial government, basing his model of ‘decentralised despotism’ on evidence from rural areas. Companies in early industrial ventures partly relied on such repressive, indirect arrangements of control, while at the same time establishing their own bubble of semi-private governance in which they had far-reaching powers based on delegated authority from the colonial administration. From the early 20th century, companies increasingly governed this bubble according to a biopolitical logic aimed at creating an industrial workforce.⁴ Despite an overall rationality of ‘commandment’ – Mbembe (2001) describes colonial governing as the exercise of arbitrary and little conditioned power based on racial distinctions – this article highlights that industrial enclaves

³ Exceptions are the case studies by Welker, M.A., 2009. Corporate Security Begins in the Community: Mining, the Corporate Social Responsibility Industry, and Environmental Advocacy in Indonesia. *Cultural Anthropology*, 24, 142-179. and Zalik, A., 2006. Subjects of Extraction: Social Regulation, Corporate Aid and Petroleum Security in the Nigerian Delta and the Mexican Gulf. Cornell University.; see also Soares de Oliveira 2007: 107ff.

⁴ The concept of biopower describes how the population in a state territory is increasingly being constructed as a (national) entity that is to be addressed by governmental intervention in order to increase productivity Foucault, M., 2004 [1979]. *Geschichte der Gouvernementalität II. Die Geburt der Biopolitik* Frankfurt am Main: Suhrkamp.

in Africa were constructed as islands of modernity in which more liberal – if disciplinary-paternalist – modes of governing Africans prevailed.

‘Indirect private government’, described by Mbembe as a new manner of ruling contemporary spaces in the peripheries, shares some important characteristics with governance in the early colonial period. In Mbembe’s model, indirect private government is characterised by privatised sovereignty within ‘more or less autonomous pockets’ (Mbembe 2001: 80) within states and a primacy of market logics in guiding governance. I agree that such forms of ruling are increasingly emerging in current processes of de/reterritorialisation in Africa (Hönke, 2010), but will emphasise in the following that some of these conditions are very similar to earlier time periods. How companies seek to produce order within such bubbles of commercial governing today is different from earlier forms. Yet these modes do not always entail increased violence and coercion, as is the case in the war economies of extraction Mbembe (2001: 79) refers to. New technologies of governing used by multinational companies aim at reducing direct, physical violence and instead promote development and participation. Companies selectively engage in governing localities in order to ensure production and engage in developmental schemes of ‘improvement’ (Murray Li, 2007). These share some similarities with colonial ideas of betterment and techniques of indirect rule (Cooke, 2003). However, participatory engagement with communities today is embedded in the more activating logics of advanced liberalism than the paternalist discipline of the past. To some extent in contrast to Cooke I find it useful to distinguish between outsourcing local governance to chiefs and strong men – as described in Mamdani’s decentralised despotism model – and participatory engagement with individuals and groups in the context of managing risks of instability perceived as emanating from communities in contemporary security management. In corporate ordering practices, techniques of indirect rule coexist with techniques of participatory engagement (Hönke, forthcoming-b).

In relation to the question about the contradictory practices of ordering business spaces, I emphasise how participatory approaches to community development promoted by companies’ CSR departments coexist with, and are contradicted by, forms of indirect rule and coercion. In addition to internal contradictions of participatory community development discussed elsewhere (Cleaver, 1999, Cooke and Kothari, 2001, Dill, 2009), activating modes of governance are also contradicted because they are closely interrelated with sovereign and disciplinary modes of power in local practice. As has been argued for other cases, it is the interplay of these different modes of governing that actually characterises liberal governance (Valverde, 1996, Hindess, 2001). There are double standards and paradoxes within liberal political thinking: illiberal practices of governing are part and parcel of the liberal tradition, for those unable to govern themselves as well as those opposed to liberal market order.

This is reflected in company community management as I will demonstrate in the following sections. Companies define spaces and groups of people as either to be integrated in a liberal order or governed through older forms of coercion, indirect rule and exclusion. Parallel logics and double standards characterise the practice of securing commercial extraction (Hönke,

forthcoming-a). In order to develop my argument I now turn to the case of mining companies in Katanga, starting with a discussion of company interventions in adjacent communities in the early twentieth century followed by an analysis of contemporary community interventions.

Between coercive and paternalist discipline – companies' ordering practices in the early twentieth century

The first industrial mining companies began operating in Sub-Saharan Africa in the last quarter of the nineteenth century. As elsewhere, setting up industrial extraction projects was closely related to colonial occupation and the establishment of direct control over African territory. In the Congo Independent State (the Belgian Congo from 1908), the Union Minière du Haut Katanga (UMHK) was founded in 1906 to explore what is today Katanga and to set up industrial copper extraction. Despite the difference of the colonial context, UMHK, like contemporary mining companies in the DRC, operated in an institutional context characterised by weak state capacities and plural authorities: no state monopoly of violence was in place and various actors competed over local power. Looking at UMHK's ordering practices reveals another striking similarity between the two periods: maintaining industrial production involved not only protecting private property with private force but also, as today, active community policies by the company to create stable working conditions for their economic activity.

Integrating Katanga as a supplier of cobalt and copper into the world market, industrial mining profoundly shaped local social, political and economic structures. For our purposes, the early regime of governing extraction based on forced labour and coercion (see Higginson, 1989) is of less interest than the increasingly paternalist, disciplinary logic of managing the company and its workforce introduced from the 1920s and how this was interconnected with an ongoing yet different use of force. These disciplinary practices revolved around the idea of transforming subjectivities in order to build a mass labour force that was cheap but fit for modern industrial extraction. The company changed from governing through corporal punishment to more indirect and productive modes of power by getting deeply involved in workers' lives and thus in the labour settlements that it simultaneously sought to isolate from the 'traditional', 'pre-modern' world surrounding them.

Liberal theories conceptualise private property as the natural domain of private governance. In the period from the 1880s to the 1920s this domain consisted of an extended, semi-private area. UMHK controlled a closed realm extending from the workplace to entire labour settlements in which workers lived with their families. The company encouraged monogamous marriages and provided workers with such families with accommodation, food rations, healthcare and schooling (for a description see Dibwe dia Mwembu, 2001). '[A]n army of agents from helping professions and missionary societies' (Higginson, 1989) were sent into the labour camps, not only with medicine but also with moral visions of how African workers and families should behave. In the spirit of a new rationality of governance that

Michel Foucault describes for Europe as a regime of discipline and biopolitics, the control and (re)production of life became the focus of interventions aimed at the production of a permanent class of wage labour (Stoler and Cooper, 1997: 31f).

Colonial and company-governmental interventions intensified and UMHK 'sought to reach further under the workers' caps while tying their hands faster to new pacesetting machinery' (Higginson, 1988: 2). The virtues of the new industrial discipline were punctuality, temperance and sexual restraint. In the workshops, priests from the Benedict Fathers and African auxiliaries were supposed to teach apprentices respect and passivity in the face of superior European civilisation. They were also expected to educate workers in European ways of life and turn them away from 'backward African customs' (Higginson, 1988: 6f). In a way the camps were the colonial version of the *cités ouvrières* built in Europe in the nineteenth century to (re)produce, cater for and control a new, disciplined industrial labour force (Peemans, 1997: 37).

It was, however, not the company alone that maintained this extractive order. The company, Catholic Church and, with time, increasingly the colonial state 'in the making' (Marks and Trapido, 1979) ran a regime of coercive paternalism in extended pockets of territory: the mines and the labour settlements in their direct vicinity. In the settlements, two authorities maintained a totalitarian subculture: 'the compound head, responsible for discipline maintenance, and the [Catholic] teacher-preacher responsible for morals and learning' (Vellut, 1983). The colonial state appeared as a tax collector and as a punishing agent of last resort.

What emerged at the end of the 1920s around the mines of Katanga was thus a regulatory regime of discipline as known from early labour cities in Europe, yet in a more coercive and exclusive form due to the colonial context (Mitchell, 1991, Legg, 2007). Isolating the bubble of industrial, disciplinary order established in the labour camps from an environment perceived as hostile and more disorderly (Dibwe dia Mwembu and Kalaba Mutabusha, 2005: 62), the disciplinary regime within the extended fortress of the mine was, however, in sharp contrast to the scope of disciplinary regimes observed in Europe that targeted entire populations within state territories. UMHK rarely got directly involved in governing the communities and urban areas outside the extended zone of semi-private governance described above, such as the new mining cities of Elizabethville (Lubumbashi), Jadoville (Likasi) and Kolwezi (Fetter, 1976).

What we find is a territorial bubble of semi-private governance in which disciplinary power became the dominant mode of governing the workforce. Such disciplinary governance took on coercive forms, which according to Legg (2007) and Mbembe (2001) were characteristic for colonial governmentality. However, in the restricted territory of the workplace and the workers' compounds, whose boundaries were closely policed, the company increasingly adopted a more paternalistic style of governing. The logic of biopower thus plays an important role in business' concern for the governance of labour in the colonial period.

However, this is far less the case in the contemporary ordering practices of companies in the Congo.

Between participatory community engagement and indirect rule, post-2000

How do these paternalist techniques of securing production – by transforming subjectivities and building and growing labor communities – differ from today's new concerns about communities and discourse of CSR? Where there is no strong authoritarian regime protecting industrial extraction, companies are exposed to social and political conflicts that exist or emerge in the environment in which they operate. Security managers thus increasingly consider managing security risks for the mine at the scale of the community. Managing volatile social and political environments, companies are involved in securing extraction through selected engagement in adjacent communities.

A managerial approach to risk governance, which characterises the new liberal governmentality, was first developed in the business sector (Johnston and Shearing, 2003: ch. 3). Since the 1990s, larger, visible brand name companies in particular have increasingly turned to less reactive and more pre-emptive modes of conceptualising and dealing with potential issues of insecurity. Security managers complement reactive punishment with acting on risks pre-emptively. What has been described for policing, which since the 1980s has turned to a kind of 'actuarial risk management' (O'Malley, 1996), has travelled to remote business spaces in the South. Security governance now works more through managing particular risk groups, issues and spaces. In the policing literature, such techniques have been well described with regards to urban phenomena, such as shopping malls and gated communities. Here, the 'good community' – the inhabitants of the middle class neighbourhood, the consumers – are invited to use and help protect these spaces. However, physical barriers, but also cameras, patrols and spatial design exclude those with supposedly 'threatening' behaviour: potential 'criminals', hawkers and non-consumers (see e.g. Jones, 2007).

With companies in Katanga we find similar patterns. Corporate security strategists see security risks to mining companies as increasingly emanating from adjacent communities. Companies in Katanga refer to these communities ambiguously as both their most immediate threat and a potential belt of protection for operational security.⁵ Therefore they complement their traditional 'fortress mentality' (Johnston and Shearing, 2003), which made them concentrate on protecting the narrow space of private property through fencing-off, deterrence and surveillance, with flexible engagement in the 'community belt', trying to make these communities partners in policing the enclave. I term 'community belt' the space that companies refer to as their communities and theatre of operation (Hönke, forthcoming-a). Sometimes this is geographically defined by companies as, for instance, the communities

⁵ Interview with company manager security & development, November 21 2008, Kolwezi; Interview with Pact Congo, October 2007 & November 2008, Lubumbashi.

within a particular distance or as the host administrative unit. What is important about the new rationale of managing order within this belt is, however, that companies no longer take on direct nor exclusive territorial control over these areas, such as was the case with the extended labour camps run by UMHK in the early colonial period. While there are still small labour compounds for a limited number of expatriate and more senior employees, the ‘community belt’ refers to the inhabited space around mining operations in which these new forms of participatory community engagement flexibly and strategically stretch out.

Conflicts with communities erupt over access to land, over relocation, and more generally over who has to bear the costs of mining and how the benefits of extraction should be distributed. In addition to frequent violent confrontations with artisanal miners, there are other examples of how communities turn to confrontational methods in Katanga in order to make such claims. In a settlement formerly run by state-owned mining company *Gécamines* close to Kolwezi, for instance, inhabitants organised protests and took a mine manager hostage to pressure the Canadian company FQML to repair the local sewage system.⁶ Firms thus complain that they are under pressure to take on more and more social functions.⁷ The phenomenon is not specific to Katanga. Situated at the bottom of a transnational, asymmetric field of struggle, indigenous communities stage conflicts at the very local level of transnational economic ventures to claim rights and redistribution of benefits of natural resource extraction (see Szablowski, 2007). In more and more places, these conflicts are no longer repressed or mediated by host state governments. In addition, communities link up more easily with transnational INGOs or media and thus are more likely to effectively damage companies’ reputation.⁸

As a result, local security governance has changed:

Security has evolved over the years and many people think [...], see security as a main guarding function, iron gates, securing an office complex or mine complex against theft or wrongdoing. Some people even extend that to situations you see across many African countries in the last 10 or 20 years, how we get the expatriates out of the countries, when the place goes horribly wrong. In a broader context, certainly, the industry has evolved over the last 10 years. ...security moved on. It's much more of a risk management role we now fulfill.⁹

This view is supported by the observation of an NGO project manager working with another mining company. He saw ‘more and more interest to really link the agendas of security and social development [...] in the last two years with a lot of the major internationally listed companies’ in Katanga.¹⁰ It is striking the extent to which the trend of merging security and

⁶ Interview with company security manager, November 22 2008, Kolwezi.

⁷ Interview with manager community relations and social development, October 3 2007, Johannesburg.

⁸ See for instance the transnational campaigns against Anvil in Katanga and AngloGold Ashanti in Ituri, HRW, 2005. *The Curse of Gold (Democratic Republic of Congo)*. New York, NY, Global Witness, Raid & Acidh, 2007. *Kilwa Trial: a Denial of Justice. A Chronology October 2004 - July 2007*. Washington, DC..

⁹ Interview with ex-group security manager, October 26 2007, Ndola.

¹⁰ Interview with Pact representative, October 17 2008, Lubumbashi.

development in liberal global governance that Mark Duffield (2001, 2007) has described for the field of peace operations and aid is also evident in the field of commercial security governance.

In protecting commercial extraction, multinational mining companies in Katanga now also draw on techniques of dialogue and participatory development management in order to make adjacent communities partners in policing the extraction enclave. A social and community manager describes how, through dialogue with communities and education, his company was trying to make people accept its mining operations in their midst as ‘patrimoine de leur environnement’: as a property and valuable part of their environment that they want to protect. In his account, the exclusive, island-like character of the ‘community belt’ becomes evident. The idea is to make the poor village communities adjacent to the mine partners of the company’s private, for-profit endeavour. Once communities perceive their own well-being and prosperity as linked to that of the company, according to the approach’s rationality, they will socially sanction theft from the mine and help to denounce illegal intruders and thieves.¹¹

Companies consider communication a key technique for preventing insecurity. They have established regular consultations with communities in the neighbouring ex-Gécamines cities, as well as in villages. These are also supposed to dissolve grievances by giving people the opportunity to express complaints and demands without resorting to violence. However, the liaison officers can also be interpreted as an extended arm of in-house intelligence, as they are informants placed within communities and provide local information.¹² This makes community engagement an ambivalent endeavour. Liaison officers formally have a social mandate, but can be seen as additional important set of ‘eyes and ears’ for the company in the mining communities.¹³ In this logic they are part of the intelligence services, an early warning system that should increase awareness of risks.

Another aspect of this new form of community engagement is strategic philanthropy, or investments in communities in order to placate critics or improve a companies’ reputation which have no clear relationship to the negative externalities and thus responsibilities a company has for the effects of its core business practices. Such social investment might do ‘good’ in that it might improve collective goods provision in local communities. Contracted by Anvil Mining, the NGO Pact, for instance, introduced new participatory procedures around Anvil’s operations. Pact sought to form local development committees to represent communities better *vis-à-vis* the company. What we see here is, first, how companies call on those living around mining sites to represent different parts of local communities. Second, those representatives then make up community development committees that have at least two functions. Those organised by the NGO Pact decide – from a set of potential options – what to spend the companies’ social investment on. Through these committees, the company also asks

¹¹ Interview with company social development manager, November 15 2008, Lubumbashi.

¹² Interview with company security manager DRC, November 22 2008, Lubumbashi.

¹³ Interviews with company security and social development managers, November 15 & 21 2008, Lubumbashi.

community members to take responsibility for local security – and thereby the protection of company assets.¹⁴

Such involvement, however, also has important indirect effects on local politics and the distribution of power and authority in the local arena. The committees mentioned above are part of a company procedure that is represented as a-political and functionally specific. However, these institutions and the selection of those supposed to represent 'the community' in them is highly political. People may raise concerns in stakeholder forums and local development committees, for instance. However, because of an asymmetric and discursively largely predetermined setting the range of possible solutions is limited. Social investment also usually benefits some but puts others at a disadvantage.¹⁵ Such unequal distribution of corporate social investment is often channelled through the fabrication of forums that include those in alliance with the company but excluding others who raise critical issues.¹⁶

In fact, companies create political institutions parallel to existing state and customary political structures at the local level. These might call local political hierarchies into question and introduce (democratic) change. However, in the eyes of companies democratic participatory community engagement can easily contradict private security interests. Instead of contributing to the companies' overall goal of achieving stable working conditions, these may undermine social and political stability. Therefore, firms steer clear of too progressively intervening in local social and political hierarchies, and often steer clear of engaging with critical NGOs or marginalised groups. On the contrary, they often rely on clientelistic, stability-oriented arrangements of indirect rule – sometimes under the cover of CSR – by working with the strongest and officially recognised local authority regardless of that person's legitimacy in the eyes of the local population. Anthropologist Marina Welker (2009) has shown this for mining company Freeport's community programs in Indonesia, which it introduced after being criticised for partnering with the regime and not working enough with local communities. She demonstrates how the company nurtures existing patrimonial networks through CSR and sides with incumbent, conservative chiefs against environmental activists to maintain stability. Critical management studies support this analysis in that they show the potential for managerial approaches to participation to be effective techniques of control instead of supporting emancipation (Cooke, 2001).

The security manager of a multinational company in Katanga puts this pragmatic approach to managing security through indirect rule as follows: 'We are stuck to those who are legally in power. There is no purpose in lamenting about the authorities. You want that copper? Deal with it'.¹⁷ With regard to the host state, the rentier state literature and others have described at

¹⁴ Interviews with Pact Congo in November 2007 and 2008, DRC; Interviews with security and community managers of Anvil Mining, November-December 2008, DRC.

¹⁵ For development management it has been shown that 'participation' often reproduces existing inequalities and hierarchies. Cooke, B. & Kothari, U. (eds.) (2001) *Participation: The new Tyranny?*, London: Zed Books .

¹⁶ See for instance how oil companies in the Niger Delta created new communal identities and divisions Watts, M.J., 2004b. Antinomies of Community. Some thoughts on geography, resources and empire. *Transactions of the Institute of British Geographers*, 29, 195-216.

¹⁷ Interview with ex-security manager, mining company, Ndola, 26 October 2007.

length how this logic strengthens unaccountable political regimes (Reno, 1997). With regards to company–state relations, I have argued elsewhere (Hönke, 2010) that the increasing role of corporate entities in security governance in Katanga can be understood as a new form of indirect discharge used by the Kabila government and external states. I am more concerned here, however, with the practices of clientelism and co-optation in company-community relations at the local level and how these coexist with the participatory development engagement described above.

The co-optation model is in the long tradition of indirect rule. It consists of supporting chiefs and local big men to guarantee local order. As chiefs are legally ‘pas important, mais indispensable’¹⁸ in local politics in the DRC, they have been set up as privileged contacts and partners of mining companies. While mining legislation officially deprives them of their land rights, they have an important role in local governance: local administration, if there is any, depends on chiefs and without them, nothing works.¹⁹ Local government in the DRC has not been elected since the 2006 adoption of a new constitution calling for local elections. Decentralisation, also enacted in the new constitution, has still not been implemented, either at provincial or district and lower levels. Local elections have not taken place and the lower tiers of state administration are built on ‘traditional chiefs’ and local power structures (Young and Turner, 1985). While the Congolese constitution and mining code attribute both mineral and surface rights to the state, concentrating the politics of mining in the hands of central government, traditional authorities are the main *de facto* authorities at local level. This is evidenced by the capacity of chiefs to mobilise communities in favour of or against companies. In mid-2008, for instance, a confrontation between the company TFM and local communities on the issue of employment appears to have been orchestrated by one of the local chiefs.²⁰ In another case of violent attacks against Anvil Mining in early 2008, these seem to have been organised by the local chief in reaction to his conflict with the company.²¹ In the mining regions, therefore, a clientele pattern of firm-chief interaction goes far beyond customary forms of paying tribute to local authorities. Chiefs have been put on company payrolls and receive strategic investments in their jurisdiction in exchange for social peace.²²

To summarise, the case of mining companies’ ordering practices in Katanga shows that contemporary participatory management is different from the coercive and disciplinary paternalism companies used to control local communities in the past. While multinational companies engage beyond the fortress of the mine in adjacent communities – as in early

¹⁸ Interview with World Bank Extractive Industries Programme, October 29 2008, Kinshasa.

¹⁹ The constitution (2006) and the Mining Code (2002) attribute both mineral and surface rights to the state. Also Interview with CEO consultancy African Institute of Corporate Citizenship and former UNDP worker in the DRC, October 7 2008, Johannesburg.

²⁰ Interview with company social development and security managers, November 7 2008, Lubumbashi; Dan 2008: All Mine, Dan Rather Reports (Transcript). HDNet. September 23, 2008.

²¹ Interview with advocate, November 19 2008, Kolwezi; Interview with World Bank Extractive Industries Programme, October 29 2008, Kinshasa.

²² See footnote above; Interview with CEO consultancy African Institute of Corporate Citizenship and former UNDP worker in the DRC, October 7 2008, Johannesburg; Interview with company manager security & development, November 21 2008, Kolwezi.

colonialism, and much more than in the intervening years – the contemporary rationality of ordering is considerably different. It is less territorial and more activating in how it calls on individuals and communities to take responsibility for maintaining order around the mines. However, while to a certain extent applying participatory restructuring to local political relations, companies stick to those legally in power and in powerful positions, as these actors are crucial for stability. This poses a constraint to alternative, more representative political structures and emancipatory policies participatory engagement could potentially encourage (see e.g. Hickey and Mohan, 2005). Companies are conservative forces in the sense that they usually side with those in power for legal and *de facto* physical security (Reno, 2004). The importance of indirect rule is the most striking similarity with early colonial ordering practices.

Conclusion

This article has shown that contemporary community engagement by multinational mining is not entirely new. Companies operating in the early colonial period under the condition of plural authorities and a state with limited reach drew on governmental interventions in communities driven by disciplinary logics in a neatly delimited territory in order to producing a mass labour force. The UMHK in Katanga created an extended bubble of semi-private governance largely shut off from its larger environment. Contemporary strategies of participatory development and CSR, however, are no longer concerned with transforming people. Instead following a logic of strategically managing security risks potentially emanating from adjacent communities, they selectively engage in a ‘community belt’ whose borders are not territorially defined and remain flexible. Participatory development management has, however, depoliticising and exclusionary effects.

In addition, despite a ‘new liberal governmentality emphasizing the population’s role in these its own governance in these interventions, there are striking similarities between early colonial and contemporary corporate ordering attempts in the postcolonial world. Techniques of participatory community engagement are combined in practice with older techniques of cooptation and indirect rule. Whereas a new liberal governmentality dominates the discourses of development, state-building and corporate community interventions alike, the article has shown that different rationalities of governing structure companies’ policing practices.

The case of mining companies in Katanga demonstrates the ‘multiple modernities’ (Eisenstadt, 2002) which people create and in which they live today, and how these play out in the arena of a transnational resource extraction (Hönke, forthcoming-a). Structural inequalities in local society and what Chatterjee (2004) describes as ‘political society’ obstruct the potential for democratic decision making over, and equal access to, company community benefits, however strongly corporate official discourse declares to be committed to these goals. Instead, private governance interventions by commercial actors reinforce this problem even more, compromising engagement by an ultimate interest in stability. While multinational companies are expected to, and increasingly do engage in participatory

community development, there are thus ample reasons for critically (re)examining governance interventions by profit-oriented actors such as multinational companies (see also Hönke and with Thomas, forthcoming). However, this is not only the case for private for-profit actors. It is striking to what extent companies refer to the same discourses as states and international organizations. The rationalities of new liberal governmentality are widely shared and transcend profit and not-for-profit, state and non-state spheres. However, the liberal claim to self-determination and democratic procedures in many governance interventions is often compromised by managerialism and the recourse to indirect rule in order to ensure stability.

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